UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF INDIANA INDIANAPOLIS DIVISION

COOK INCORPORATED,)
Plaintiff,)
v.) CASE NO. 1:09-cv-01248-WTL-TAE
ENDOLOGIX, INC.,)
Defendant.))

ORDER LIFTING STAY OF PROCEEDINGS

The parties in this patent infringement action are again at odds over the proper direction of this case. Both sides offer case law in support of their respective positions. While these cases are helpful, Bob Dylan also provided useful direction in a famous line from his 1965 song "Subterranean Homesick Blues."

Shortly after this lawsuit began on October 6, 2009, Defendant filed a motion to stay this action while the Patent and Trademark Office reexamined the '706 and '777 patents in suit.

[Docket No. 26.] The Court granted Defendant's stay request over the Plaintiff's objection.

[Docket No. 39.] Plaintiff subsequently moved to lift the stay after the PTO concluded its review of the '706 patent. [Docket No. 40.] The Court declined to lift the stay because of the ongoing review of the '777 patent. [Docket No. 46.]

On April 14, 2010, the PTO issued a Notice of Intent to Issue *Ex Parte* Reexamination Certificate ("NIRC") as to the '777 patent. In light of this, Plaintiff filed a renewed motion to lift the stay. [Docket No. 47.] Defendant opposes Plaintiff's motion, noting that the PTO has not

yet issued a Reexamination Certificate that signals a final decision. [Docket No. 49.]

Both sides make well-reasoned arguments as to whether this case should proceed or remain stayed. Whether to issue a stay was a close call when it first arose in this case. The issue was even closer when Plaintiff asked that the stay be lifted after the PTO concluded its review of the '706 patent. With the NIRC on the '777 patent now in hand, this hair-splitting exercise becomes even more exacting. Defendant is correct that the patent remains under review by the PTO until the Reexamination Certificate issues. But as Defendant also acknowledges, the NIRC terminates the prosecution stage of the reexamination.

As Bob Dylan sang in "Subterranean Homesick Blues," "You don't need a weatherman to know which way the wind blows." And you don't need a Reexamination Certificate to know that this case is now poised to move forward.

Plaintiff brought this patent infringement action only to have it stayed while matters sorted themselves out in the PTO. Months passed. The PTO ruled in Plaintiff's favor on the '706 patent. Plaintiff asked the Court to lift the stay but was turned down. The PTO then issued a NIRC on the '777 patent. Plaintiff has renewed its request to lift the stay. The Court will not continue to impose a stay over Plaintiff's objection. Lifting the stay should not surprise the Defendant, given recent comments by its president to investors that Defendant anticipated the stay likely would be lifted during the second quarter of this year and that discovery would start sometime this summer. [Docket No. 50 at 1.] Support for this result is found not only in classic folk-rock lyrics but, more importantly, in case law such as *Staples v. Johns Manville, Inc.*, NO. 4:08CV306 JCH, 2009 WL 2337105, at *1-*2 (E.D. Mo. July 29, 2009) (issuance of the NIRC "effectively terminated" the PTO reexamination).

For these reasons, Plaintiff's motion to lift stay [Docket No. 47] is granted. The parties shall confer and file a proposed Case Management Plan within 21 days. The Court will review the CMP to help determine the need for and timing of any Court-supervised pretrial, settlement, or other conference, so the parties are encouraged to include in the CMP their views on this issue.

Dated: 06/02/2010

Tim A. Baker

United States Magistrate Judge Southern District of Indiana

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